

Message Text

SECRET

PAGE 01 AMMAN 02859 160759Z

17

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 039660

R 160644Z MAY 74

FM AMEMBASSY AMMAN

TO SECSTATE WASHDC 1422

INFO AMEMBASSY JIDDA

SECDEF WASHDC

S E C R E T AMMAN 2859

EXDIS

E.O. 11652: GDS

TAGS: MASS, JO, SA

SUBJECT: FMS CREDITS FOR JORDAN

1. DURING CALL MAY 15 SAUDI AMBASSADOR KUHEIMI
CONFIRMED TO MEE SAUDI AGREEMENT (CONCLUDED AS RESULT KING HUSSEIN'S
RECENT VISIT TO SAUDI ARABIA) TO FINANCE \$30 MILLION IN FY 75
FMS CREDITS FOR JORDAN. SAUDI AMBASSADOR SAID SAG UNDERSTOOD
FROM PRIME MINISTER RIFAI THAT USG SEEKING \$100 MILLION IN GRANT
AID AND THAT SAUDI ARABIA WOULD PROVIDE FINANCING FOR ADDITIONAL
\$30 MILLION INCREDIT.

2. SAUDI AMBASSADOR INDICATED THAT SAG PREFERS REPAY LOAN DIRECTLY
TO USG RATHER THAN TO JORDAN. WITHOUT GOING INTO A DETAILED
DISCUSSION OF MODALITIES, I TOLD SAUDI AMBASSADOR USG EXTREMELY
PLEASED WITH SAUDI FINANCING IN VIEW OF LIMITS ON USG FUNDING
AND THAT I WOULD BE IN TOUCH WITH HIM TO WORK OUT EXACT
DETAILS OF TRANSACTION, I MENTIONED THAT WE WOULD HOPE TO DO
THIS SOON IN VIEW FACT FY 1975 FISCAL YEAR BEGINS JULY 1.
HE AGREED.

3. WE ASSUME THAT SAUDI DESIRE REPAY FMS LOAN DIRECTLY TO
USG WILL BE MANAGEABLE FOR USG DESPITE FACT THAT DEPARTMENT
DESIRES HAVE USG CONCLUDE FMS CREDIT ARRANGEMENTS DIRECTLY WITH
GOJ.

SECRET

SECRET

PAGE 02 AMMAN 02859 160759Z

4. WE WOULD SUGGEST DEPARTMENT'S CONSIDERATION

OF ARRANGEMENTS ALONG FOLLOWING LINES:

- A) AUTHORIZE EMBASSY AMMAN REQUEST GOJ SEEK SAG AGREEMENT
IN WRITING TO FUND \$30 MILLION FMS CREDIT, WITH SAG
PAYMENT DIRECT TO USG;
- B) IN EXCHANGE OF LETTERS EMBASSY WOULD THEN CONFIRM THIS UNDERSTANDING

WITH GOJ;

- C) USG AND GOJ WOULD THEN SIGN FMS CREDIT AGREEMENT
WITH JORDAN;

D) FOLLOWING CONCLUSION THIS USG-GOJ AGREEMENT,
EMBASSY JIDDA SHOULD BE AUTHORIZED DEAL DIRECTLY WITH SAG FOR
PURPOSE PRESENTING FMS REPAYMENT SCHEDULE TO SAG AND UNDER-
TAKING REGULAR COLLECTION OF SAUDI REPAYMENT FY 1975 FMS
CREDITS WHEN THEY COME DUE.

5. WE BELIEVE ABOVE ARRANGEMENTS COULD BE CONCLUDED SO AS TO
MAINTAIN GOJ'S LEGAL RESPONSIBILITY FOR REPAYMENT FMS CREDITS WHILE
DEFERRING TO SAG'S DESIRE MAKE REPAYMENT DIRECT TO USG. REQUEST
DEPARTMENT'S AND EMBASSY JIDDA' COMMENTS.
PICKERING

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, MILITARY CREDIT, MILITARY SALES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 MAY 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974AMMAN02859
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740120-0934
From: AMMAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740544/aaaabmpc.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 20 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 AUG 2002 by boyleja>; APPROVED <21 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FMS CREDITS FOR JORDAN
TAGS: MASS, JO, SA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005